CROSS CORRELATION TOOL FOR AUTOMATED PORTFOLIO DESCRIPTIVE STATISTICS

ABSTRACT OF THE DISCLOSURE

The cross correlation tool is used to quickly understand and describe the composition of an asset portfolio and the response of a user selected variable versus other variables in the portfolio. The tool is also used to quickly identify unexpectedly high or low correlation between two attribute variables and the response variable. Identification of unexpected correlations improves understanding of the portfolio data and the decisions regarding a potential purchase of the portfolio. Attribute variables are of two types, continuous and categorical. The cross correlations are computed between all variables of interest and their bin or level and presented in a two dimensional matrix for easy identification of trends.